

# Idaho Grain Market Report, November 30, 2018—NEW CROP PRICES

Published weekly by the Idaho Barley Commission

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, November 28, 2018. Barley prices in \$/Cwt. And wheat prices in \$/bu.

	<b>Barley (Cwt.) FEED  48 lbs or better</b>	<b>MALTING  Open Market Malting</b>	<b>Wheat (bu.) Milling  #1 SWW</b>	<b>#1 HRW 11.5% Protein</b>	<b>#1 DNS 14% Protein</b>	<b>#1 HWW</b>
Rexburg / Ririe	5.60-6.50		4.48-4.59	5.02	5.41	5.05
Idaho Falls		8.00-8.33	4.50	4.80	5.25	5.20
Blackfoot / Pocatello		7.06	4.50	4.80	5.25	5.20
Grace / Soda Springs	6.50		4.59	4.64	5.37	5.04
Burley / Rupert	6.25		4.61	4.41	5.05	5.01
Twin Falls / Buhl Jerome / Wendell	5.00-6.50		4.40-4.45	4.50	5.45	4.80
Nampa / Weiser			4.75			
Nezperce / Craigmont	5.21		5.33	5.53	5.96	
Lewiston	5.73		5.59	5.79	6.22	
Moscow / Genesee	5.24-5.43		5.36-5.43	5.56-5.66	5.99-6.12	5.50

## Prices at Selected Terminal Markets, cash FOB

Wednesday, November 28, 2018. Barley prices in \$/Cwt. And wheat prices in \$/bu.

	<b>#2 Feed Barley 46 lbs. --</b>	<b>Malting Barley</b>	<b>#1 SWW</b>	<b>#1 HRW 11.5% Protein</b>	<b>#1 DNS 14% Protein</b>	<b>#1 HWW</b>
Portland			6.15-6.30	6.05-6.20	6.76-6.86	
Ogden	7.30		4.92	5.00	5.71	5.40
Great Falls	5.85-6.50	8.05-8.25		5.10-5.22	5.61-5.65	
Minneapolis	NQ			NQ	7.02-7.17	

## Market News and Trends This Week

**BARLEY**—Local feed barley prices were mostly steady but jumped \$0.25 higher in one location this week at Idaho elevators, open market malt barley prices were mostly steady but dipped \$0.30 at one location. USDA reported net sales of 1,000 MT for Taiwan. Exports of 600 MT were to South Korea.

**Barley Trends/Competitor News**—USDA's forecast for Australian barley production was reduced to 7.4 MMT, still 500 KMT greater than ABARES' estimate. The weather bureau says that equatorial sea surface temperatures have breached a key threshold raising the chances for an El Nino to 70 percent. El Nino should be negative for Australia and other southeast Asian crops.

**WHEAT**—Local cash wheat prices were mixed at Idaho elevators for the week. SWW prices ranged from \$0.10 lower to \$0.15 higher than a week ago; HRW prices were \$0.17 to \$0.16 higher; DNS prices ranged from \$0.10 lower to \$0.07 higher; and HWW prices trended down at all locations \$0.05 to \$0.20 lower. USDA reported net sales of 377,100 metric tons for 2018/2019, up 14 percent from the previous week, but down 25 percent from the prior 4-week average. Increases were reported for Peru (80,500 MT, including 80,000 MT switched from unknown destinations), Nigeria (78,500 MT, including 34,000 MT switched from unknown destinations and decreases of 500 MT), Mexico (78,100 MT, including decreases of 400 MT), the Philippines (60,000 MT), and Japan (56,000 MT, including decreases of 100 MT). Reductions were reported for unknown destinations (66,600 MT) and the French West Indies (8,600 MT). Exports of 249,800 MT--a marketing-year low--were down 50 percent from the previous week and 34 percent from the prior 4-week average. The destinations were primarily to South Korea (75,700 MT), Japan (50,200 MT), Mexico (44,600 MT), Nigeria (33,500 MT), and Jamaica (21,300 MT).

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## Market News and Trends This Week—continued

**USDA Outlook for U.S. Ag Trade**—USDA's **November 29 Outlook** for U.S. Agricultural Trade reduced the FY2019 export forecast by \$3.0 billion to \$141.5 billion, down \$1.9 billion from FY2018 and \$3.0 billion from the August 2018 forecast, largely due to decreases in soybeans and cotton, and forecast FY2019 imports at \$127.0 billion, up \$500 million from the August forecast primarily due to increases in horticultural, sugar and tropical products. Per capita world GDP growth is expected to be robust at 2.1 percent in 2018 and to remain healthy at 2.0 percent in 2019, led by a thriving U.S. economy. In October, the equity market selloff and volatility may have lowered confidence, but it is not yet indicative of a larger issue that would have a sizable impact on the global economy. Per capita GDP growth in the United States of 2.2 percent in 2018 is expected to be sustained in 2019. In 2018, the U.S. economy is bolstered by strong consumer spending and favorable business investment. Income growth is expected to slow during 2019 due to diminishing effects of fiscal stimulus, rising inflation, and slower economic growth outside the United States. Prospects for the dollar's value in 2018 are mixed. After weakening during the first few months of the year, the dollar has strengthened since May, which is expected to continue into 2019 as U.S. interest rates increase relative to those in other major economies. Expectations for higher U.S. interest rates are driven by a strong U.S. economy, tightening monetary policy, and an expansionary domestic tax and spending policy. The contrast between U.S. policy and expectations of relatively looser monetary policy and neutral fiscal policy elsewhere adds additional upward pressure to the dollar, as does its role as a safe haven for investors in a time of economic uncertainty. On average, the dollar is expected to weaken slightly in 2018 relative to 2017 and then hold its value in 2019.

**CORN**—USDA reported net export sales of 1,266,500 MT for 2018/2019 were up 44 percent from the previous week and 77 percent from the prior 4-week average. Increases were reported for South Korea (327,900 MT, including 60,000 MT switched from Japan and decreases of 66,000 MT), Colombia (267,800 MT, including 93,000 MT switched from unknown destinations, 33,000 MT switched from Trinidad and Tobago, and decreases of 900 MT), Japan (197,500 MT, including 40,200 MT switched from unknown destinations and decreases of 65,900 MT), Peru (157,000 MT, including 30,000 MT switched from unknown destinations and decreases of 3,600 MT), and Mexico (120,800 MT, including decreases of 4,400 MT). Reductions were for Trinidad and Tobago (33,000 MT). Exports of 1,053,200 MT were up 26 percent from the previous week and 4 percent from the prior 4-week average. The destinations were primarily to Mexico (255,400 MT), Colombia (211,900 MT), Japan (207,300 MT), Peru (121,500 MT), and Taiwan (76,300 MT).

**Ethanol corn usage**—DOE's Energy Information Agency (EIA) reported ethanol production for the week ending November 23 averaged 1.048 million bbls/day – UP 0.58% from the previous week and down 1.69% over last year. Total ethanol production for the week came in at 7.336 million barrels. Ethanol stocks were 22.93 million bbls on November 23, up 0.61% from last week and up 4.02% from last year. An estimated 109.09 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 1.3 billion bu, toward the USDA estimate of 5.65 billion bu total needed this crop year.

## Futures Market News and Trends This Week

**WHEAT FUTURES**—Wheat futures were mixed but mostly trend up this week with CHI SRW and KC HRW futures mostly gaining ground and MGE DNS futures trending down.

**Wheat futures prices finished at a range of \$0.04¾ lower to \$0.06½ per bu higher for the week.**

**Wheat futures settlement prices (per bu) for Thursday, 11/29/2018:**

	Dec 2018	Week Change	Mar 2019	Week Change	May 2019	Week Change	July 2019	Week Change
CHI SRW	\$4.96½	-\$0.03¼	\$5.07¾	\$0.00½	\$5.14½	\$0.01½	\$5.21½	\$0.01¼
KC HRW	\$4.55	\$0.04¾	\$4.92½	\$0.06½	\$5.05	\$0.06½	\$5.16¼	\$0.05¼
MGE DNS	\$5.69½	-\$0.04¾	\$5.68	-\$0.03¼	\$5.75	-\$0.01½	\$5.83	-\$0.01¼

**CORN FUTURES**—Corn futures continued up overall across the board for the week, gaining back on previous losses. **December 2018 contract closed Thursday, November 29 at \$3.60¼ up \$0.01¼ for the week, March 2019 contract closed at \$3.73¼ up \$0.02¾, May 2019 contract closed at \$3.80½, up \$0.02¼ over the previous week, and July 2019 closed at \$3.87, up \$0.01½ for the week.**

**CRUDE OIL FUTURES**—U.S. crude inventories hit their highest level in a year after a tenth consecutive weekly increase, and are now only 80 million barrels below March 2017's record 535 million barrels, according to the Energy Information Administration, keeping the supply and demand fundamentals bearish.

EIA reported U.S. crude oil refinery inputs averaged 17.6 million bbls/day during the week ending November 23, 698,000 bbls/day more than last week's average. Refineries operated at 905.6% of capacity last week. There was an increase in Crude Oil stocks of 3.577 million bbls over last week to 450.485 million bbls, over the 5-year average of 420.493 million bbls. Distillate stocks decreased by 2.610 million bbls to a total of 121.801 million bbls, under the 5-year average of 131.218 bbls; while gasoline stocks decreased by 0.764 million bbls to 224.551 million bbls, over the 215.618 million bbl 5-year average. The national average retail regular gasoline price was \$2.539 per gallon on November 26, 2018, \$0.072 lower than last week's price but up \$0.006 over a year ago. The national average retail diesel fuel price was \$3.261 per gallon, \$0.021 per gallon below last week's level but up \$0.335 over a year ago.

**Crude Oil Futures finished down for the week to close at \$51.45/bbl on Thursday, November 29, 2018 (December contract), continuing the downward trend.**

## USDA Crop Progress / Condition Report, November 26, 2018

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition Rating % Good/Excellent	Previous Week	Previous Year
US Barley		<i>Not reported this week.</i>			<i>Not reported this week.</i>		
<b>ID Barley</b>		<i>Not reported this week.</i>			<i>Not reported this week.</i>		
US Winter Wheat Emerged	86%	81%	91%	92%	55%	56%	50%
<b>ID Winter Wheat Emerged</b>	<b>99%</b>	<b>93%</b>	<b>98%</b>	<b>97%</b>	<b>59%</b>	<b>66%</b>	NA
US Winter Wheat Planted	95%	93%	99%	99%	<i>Not reported this week.</i>		
<b>ID Winter Wheat Planted</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<i>Not reported this week.</i>		
Corn	94% Harvested	90% Harvested	94% Harvested	96% Harvested	NA	NA	NA

## USDA U.S. Crop Weather Highlights—November 29, 2018

**West**—Stormy weather in much of California and portions of neighboring states. Heavy snow in the Sierra Nevada, while rain is soaking many valley and foothill locations. Mudslides have started in California's recently burned areas.

**Plains**—Mild weather prevails in advance of an approaching storm system. Thursday's temps reached 80°F in much of Texas, favoring winter wheat development and fieldwork such as cotton and peanut harvesting. Light rain in Nebraska.

**Corn Belt**—Field and weather conditions remain less than ideal for completing corn and soybean harvesting. Snow is blanketing portions of the upper Great Lakes region, while patches of snow, sleet, and freezing rain are occurring in the eastern Corn Belt. Below-normal temperatures persist across the eastern Corn Belt.

**South**—Chilly conditions linger across the southern Atlantic States. In contrast, mild, breezy weather prevails from the Mississippi Delta westward. Across much of the region, dry weather favors an acceleration of fieldwork—including winter wheat planting and cotton, peanut, and soybean harvesting—that has been often delayed by rain and soggy soils.

**Outlook for U.S. Mainland**—A series of storms will maintain unsettled, showery weather across large parts of the country. Five-day precipitation totals could reach 1 to 2 inches or more across large parts of the Midwest, mid-South, and Southeast. Significant, late-week snow will fall across portions of the northern Plains and upper Midwest. Snow will also blanket higher elevations of the West. Early next week, yet another round of snow may occur from the Midwest into the Northeast. Elsewhere, a brief spell of warm weather across the Midwest, South, and East will yield to another cold wave, with the transition starting during the weekend. The NWS 6- to 10-day outlook for December 4 – 8 calls for colder-than-normal conditions nationwide, except for near- or above-normal temperatures across Florida's peninsula. Meanwhile, drier-than-normal weather in northern sections of the Rockies and High Plains will contrast with near- or above-normal precipitation across the remainder of the country.

## USDA International Crop Weather Highlights—November 27, 2018

**EUROPE**—Rain eased drought in southeastern Europe, aiding late establishment of winter wheat and rapeseed. Showers favored winter crop establishment in Spain and France, while dry weather maintained drought concerns in Germany and northwestern Poland.

**MIDDLE EAST**—Locally heavy showers continued in parts of Turkey, Syria, Iraq, and western Iran, boosting moisture reserves for winter grain establishment but curtailing fieldwork and likely causing localized flooding. Despite the wet weather pattern, central Turkey's Anatolian Plateau was mostly dry. Heavy rain returned to Syria, Iraq, and western Iran, boosting moisture reserves for winter grain planting and establish

**FSU**—Sharply colder weather accelerated winter wheat into dormancy in Ukraine and western Russia.

**ASIA**—Showers in southern India and Sri Lanka benefited rice. Warmer-than-normal weather in India increased irrigation of winter (rabi) crops. Seasonably cold weather in eastern China slowed wheat development. Showers in south-eastern China boosted moisture reserves for rapeseed and other winter crops.

**AUSTRALIA**—Widespread showers in southern and eastern Australia benefited vegetative summer crops but slowed winter crop drydown and harvesting. Showers in the west temporarily interrupted wheat, barley, and canola harvesting.

**SOUTH AMERICA**—Widespread rain benefited corn, cotton, and other summer crops throughout most of Brazil. Drier weather improved conditions for corn and soybean planting in central Argentina.

**SOUTH AFRICA**—Warm, showery weather benefited emerging summer crops in eastern production areas.

**NORTHWEST AFRICA**—Additional heavy rain in Morocco and Algeria maintained abundant soil moisture for winter grain establishment but impeded sowing efforts and other seasonal fieldwork.